

**REMARKS/ARGUMENTS**

**Status of the application:**

The specification is amended to correct several oversights that are grammatical, clerical or typographical in nature. No new matter is added by these amendments the specification. Additionally, the claims are modified in the amendment. Prior to the entry of this amendment, claims 1-37 were pending in the application. The office action rejected claims 1-6 and 8-37 under 35 U.S.C. § 103(a) as being unpatentable over Lorsch (U.S. Pat. No. 5,903,633). The office action also rejected claim 7 under 35 U.S.C. § 103(a) as being unpatentable over Lorsch in view of Vulcan et al. (U.S. Pat. No. 5,799,072). The present amendment amends claims 1, 3-5, 8, 10, 12-14, 16, 19, and 22-31 and cancels claims 32-37. New claims 38-49 have been added. Hence after entry of this amendment, claims 1-31 and 38-49 stand pending in the application. Reconsideration of the subject application as amended is respectfully requested.

**New and Amended Claims:**

Claims 38-49 have been added to the application. Applicant submits that these claims are allowable over the cited art for at least the reasons discussed herein. Applicant further submits that the added claims do not disclose new matter. For instance support for the new claims can be found at, *inter alia*, page 2, lines 24-26, page 5, lines 15-19, page 5, line 33 through page 6, line 5, page 12, line 60 through page 13, line 2, page 14 lines 13-30, and associated figures. In addition claims 1, 3-5, 8, 10, 12-14, 16, 19, 22-31 have been amended to more precisely claim what the applicant regards as his invention. Applicant submits that these amendments likewise do not recite new matter and Applicant notes that support for the amended claims can be found at, *inter alia*, page 2, lines 24-26, page 5, lines 15-19, page 5, line 33 through page 6, line 5, page 12, line 60 through page 13, line 2, page 13 line 28 through page 14, line 9, page 14 lines 13-30, and associated figures.

35 U.S.C. § 103 Rejection

In the office action, independent claims 1, 12, 16, 24, 25, 31, 32 and 37 are rejected for obviousness under 35 U.S.C. §103. In response, Applicant has amended independent claims 1, 12, 16, 24, 25 and 31 and canceled independent claims 32 and 37.

As amended claim 1 now includes the limitations "wherein the request includes one of the identifiers, customer information and a payment" and "creating an electronic record of the payment, the customer information and the identifier," and electronically sending the electronic record to the consumer provider." These limitations, in combination with the other limitations of claim 1 are believed to distinguish the subject matter of claim 1 from the cited reference, Lorsch, and put the claim in condition for allowance.

More particularly, Lorsch does not teach or suggest a payment service method in which a customer of a consumer provider provides information to a payment service provider that is then transmitted by the payment service provider to the consumer provider. Lorsch describes a retail method for dispensing phone cards in which a customer purchases a phone card of a phone service provider from a retailer, wherein the retailer pays the phone service provider for the phone cards it sells. (Lorsch, Col. 3, Line 66 through Col. 4, Line 17). In such a method, there is no need, nor any disclosed means, for the retailer to transmit customer information to the phone service provider. In fact, in Lorsch the customer can only purchase a phone card or make payments on a phone card that is linked, prior to the purchase or the payment, to a specific account. (Lorsch, Col. 2, Lines 63). Lorsch does not teach or suggest, as claimed in claim 1, a payment service method where a customer can provide information to a payment service provider at the time of purchase that can be used to direct the destination of the payment or direct how, when or where the requested good or service is to be provided. As such, in Lorsch, the customer is limited to purchasing a phone card with an associated access number that the customer must provide to the phone service operator to access the phone service provider's phone service. (Lorsch, Col. 4, Lines 37-39). In contrast, the Applicant is claiming a payment service method in which, as claimed in claim 1 and detailed in independent claim 3, the customer can, by providing the relevant information to the payment service provider, make payments

specifically to a phone number associated with the customer that the customer can then directly access without having to use the access methods disclosed in Lorsch.

As amended, independent system claim 12 contains an equivalent limitation to that of claim 1 "wherein the host computer is configured to receive a record containing one of the identifiers along with information on a payment and information about a customer, to send information from the record to the consumer provider, and to electronically facilitate the sending of the payment to a bank of the consumer provider" (emphasis added). This limitation, in combination with the other limitations of claim 12 are believed to distinguish the subject matter of claims 12 from the cited reference, Lorsch, and put the claim in condition for allowance. As discussed above, Lorsch does not teach or suggest a method where the customer provides customer information to a payment service provider that is subsequently communicated to a consumer provider.

As amended, method claim 16 now includes the limitation of "a payment service provider contracting with a consumer provider to provide payment services to the consumer provider's customers, wherein a customer of the consumer provider makes a payment to the payment service provider to obtain a good or a service from the consumer provider." Claim 16 has also been amended to contain the limitation "wherein the identifiers are active and do not need activation by the consumer provider prior to issuance to the customer." These limitations, in combination with the other limitations of claims 16 are believed to distinguish the subject matter of claim 16 from the cited reference, Lorsch, and put the claim in condition for allowance.

Lorsch discloses a regular retail relationship between a retailer and a wholesaler in which the retailer purchases, at a wholesale price, products from the wholesaler that it then resells to a customer. (Lorsch, Col. 4, Lines 1-7). Lorsch does not teach or suggest a payment service method in which a consumer provider enters into a contract with a payment service provider, wherein the payment service provider contracts to provide payment services to the consumer provider's customers.

Lorsch also does not teach or suggest a method, as claimed in claim 16, where identifiers are provided to the payment service provided in an active state so that the payment service provider does not have to communicate with the consumer provider to have the identifiers

activated prior to dispensing them to customers. In fact, Lorsch discloses a method in which inactive phone cards are provided by the phone card operator to the retailer and expressly teaches away from the use of active identifiers. (Lorsch, Col. 2, Lines 16-41).

As amended, system claim 24 contains an equivalent limitation to claim 16 that provides "wherein the identifiers are active." This limitation, in combination with the other limitations of claims 24 are believed to distinguish the subject matter of claims 24 from the cited reference, Lorsch, and put the claim in condition for allowance. As discussed above, Lorsch teaches away from a system that uses active identifiers.

As amended, method claim 25 now includes the limitation of "a customer establishing an account with a consumer provider, wherein the customer provides information to the consumer provider to establish the account, and wherein the account requires a payment for service activation." This limitation, in combination with the other limitations of claims 25, is believed to distinguish the subject matter of claims 25 from the cited reference, Lorsch, and put the claim in condition for allowance. As discussed above, Lorsch does not teach or suggest a payment system where a customer provides information to a customer provider. Further, Lorsch does not teach or disclose a payment service, as claimed in claim 25, where a customer of a consumer provider establishes an account with the consumer provider and then goes to a third-party, a payment service provider, to make a payment on the account and activate the service associated with the account. In fact, Lorsch does not teach or suggest the occurrence of any contact between the customer and the consumer provider, nor does it disclose a method where the customer has input in establishing the account. (Lorsch, Col. 2, Lines 59-63).

Finally, as amended, system claim 31 contains an equivalent limitation to claim 25 "a host computer maintained by a payment service provider capable of receiving a service activation account information provided by a consumer provider and an associated identifier, wherein the service activation account information identifies an account a customer has established with the consumer provider." This limitation, in combination with the other limitations of claim 31 are believed to distinguish the subject matter of claims 31 from the cited reference, Lorsch, and put the claim in condition for allowance. As discussed above, Lorsch

does not teach or suggest a system where a host computer receives information from a consumer provider concerning an account the customer has established with the consumer provider.

As set forth in M.P.E.P. § 2143,

“[t]o establish a *prima facie* case of obviousness, *three* basic criteria must be met. *First*, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. *Second*, there must be a reasonable expectation of success. *Finally*, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).”

All three elements set forth above must be present in order to establish a *prima facie* case of obviousness. However, as discussed above, the prior art reference cited by the Examiner, Lorsch, does not teach or suggest all of the claim limitations of independent claims 1, 12, 16, 24, 25, and 31, as amended. Hence, it is respectfully requested that the section 103 rejection of claims 1, 12, 16, 24, 25 and 31 be withdrawn. Additionally, it is respectfully requested that, in accordance with MPEP 2143.03, the section 103 rejection of all claims depending from independent claims 1, 12, 16, 24, 25, and 31 also be withdrawn.

Claims 1-6 and 8-37 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Lorsch, U. S. Pat. No. 5,903,633 A. Claims 2-6, and 11 depend from claim 1, claims 13-15 depend from claim 12, claims 17-23 depend from claim 16, and claims 25-30 depend from claim 25. As previously discussed in connection with the aforementioned independent claims, the amended claims are distinguishable over Lorsch.

Claim 7 is rejected under 35 U.S.C. § 103(a) as being unpatentable over Lorsch in view of Vulcan et al. (U.S. Pat. No. 5,799,072 A). Claim 7 depends from independent claim 1. As previously described, claim 1, as amended, is distinguishable over Lorsch. Vulcan describes a telecommunications call management system and does not teach or suggest a payment service method in which a customer of a consumer provider provides information to a payment service

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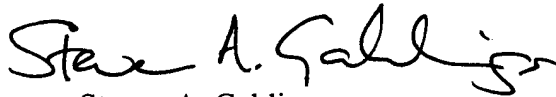
provider that is then transmitted by the payment service provider to the consumer provider.  
Accordingly, claim 7 is distinguishable over Vulcan alone or in combination with Lorsch.

**CONCLUSION**

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,



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